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ABSTRACT

This paper discusses the managerial challenges and opportunities resulting from the change in the U.S. workforce from one composed of predominately white males to one increasingly composed of females, minorities, and immigrants. It notes that managing people from different cultures whether at home or abroad is receiving a good deal of attention from business students, business educators, and directors of human resource development. Presented is a model that describes the development of intercultural sensitivity in an individual from the lowest stage, that of denial of any cultural differences among peoples, to the highest stage, that of the person who has fully internalized bicultural or multicultural frames of reference. Also examined is a model describing the five stages of multicultural organization development from complete monoculturalism (stage 1) to a position that is inclusive of and values diversity (stage 5). The paper concludes with the observation, based on the results of various studies, that heterogeneous groups perform significantly better on complex tasks requiring creativity, innovation, and problem solving; and that such mixed groups, when well-managed and prepared, consistently outperform homogeneous groups in terms of both quality and quantity. Contains nine references. (GLR)

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VALUING DIVERSITY: THE MANAGEMENT OF MULTICULTURAL ORGANIZATIONS

by James Dayton Gunn

With the beginning of a new century just a few years away, we are seeing a flood of articles, books and television programs forecasting what the work place will be like early in that 21st century. One of the most significant characteristics we can expect is already clear: The U.S. workforce will be increasingly female and minority--fully 80% of the new members of the workforce will be women, minorities or immigrants. White males will no longer be in the majority and will not be able to maintain their traditionally dominant position in American business. Also, there will be a growing labor shortage combined with an explosion of newly created jobs, and that will make for enormous competition for people with skills. The culture of the workplace is already changing, and the pace of that change will increase. It will be, in fact, a workplace characterized by rapid change--and by diversity.

To sum it up, there is underway a unique confluence of important economic and demographic forces that threatens American economic pre-eminence and our ability to compete in the years ahead. These forces and the challenges they present were described in the Hudson Institute's study, *Workforce 2000*.

This study makes it clear that the new sources of labor upon which American business will be dependent--women, minorities, immigrants, the economically disadvantaged, and the disabled--face significant hurdles to their full and effective

participation in the workplace. Business will be able to satisfy its labor needs only if it successfully confronts those barriers and empowers individuals presently outside the economic mainstream to take advantage of meaningful employment opportunities.

> These changes mean that the ability of companies to effectively compete in the years ahead will be determined in large measure by their success in employing productive workers in a labor market characterized by scarcity, skills deficiencies, and demographic diversity. The most successful companies will be those that meet this challenge creatively and aggressively. (*Opportunity 2000*, 1)

One of the transformations underway is in the role of the manager. Peter Drucker has observed that the art and science of management is in a revolution, and all of the assumptions on which management practice was based in earlier times is now becoming obsolete. We can see this revolution in the way we now view "international" functions. George Serpan, the vice president of AT&T, and Louis Gerstner, vice-chairman of American Express, among other prominent business people, have publicly admitted a need to reorient management so that managers can function effectively in a world market that demands a much more culturally sensitive management attitude and style. (Harris and Moran, 6)

The invasion of foreign competition into our own national market place, and the need to trade more effectively overseas has forced North American executives to become more culturally

sensitive. Some companies are investing millions of dollars in university programs such as the one here in the World College of Eastern Michigan University. Leading business schools, which until recently neglected international and intercultural education, are now rushing to include this perspective in their curriculum. Managing people from different cultures whether at home or abroad is suddenly receiving a good deal of attention from business students, business educators, and directors of human resource development. At the same time, the market for cross-cultural training in industry and government is gaining strength.

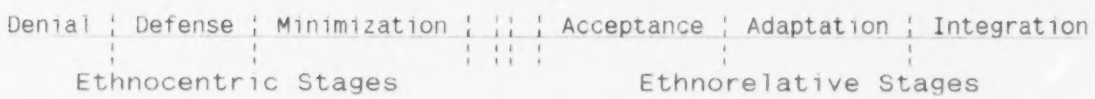
Let me pause to define what is meant by the term "culture" in this context. We are speaking here of culture in a behavioral sense. It is a learned system of values, beliefs, attitudes and behaviors that characterize a group of people. These values, beliefs, attitudes and behaviors are the things that principally distinguish the French from the British and the Americans from the Japanese, for example; but they also distinguish black Americans from white Americans and men from women. Let me give you an example: to the degree that there are certain values and behaviors associated with women and believed appropriate only to them and certain others associated with men, women and men belong to different cultures. And just to give you a glimpse of the powerful effect culture can have on us, ponder for a moment how we view men who behave like women, or women who behave like men.

For the most part, our culture is inculcated into us at a very young age. We are taught that certain attitudes and behaviors are correct and appropriate. The boundaries are made clear to us, and values and behaviors that fall outside those boundaries are not acceptable, they are quite simply wrong. We accept these teachings as truisms; and what is more, we assume that all other right thinking people see this just as we do. Of course, it is this assumption that only one set of values and behaviors (ours!) is correct, and that all people are essentially like us in these matters, that is the source of a good deal of conflict and misunderstanding in a society and a world that is increasingly bringing peoples of diverse cultures into contact with each other.

This cross-cultural interaction, this diversity that more and more is characterizing society and the world of business within the United States and without, can be seen as a problem or as an opportunity. (It will not surprise you that in this paper diversity is viewed as a valuable resource that should and can be exploited.)

Dr. William Bennet, presently at the University of Portland, has devised a developmental model of intercultural sensitivity which is useful in describing various stages of cultural sensitivity as applied to an individual. The model is divided into two megastages--the Ethnocentric Stage and the Ethnorelative Stage--which are separated, as he says, by a hurdle:

DEVELOPMENT OF INTERCULTURAL SENSITIVITY




At the lowest level in this model, the individual simply denies that there are essential cultural differences among peoples. If certain groups behave and think differently, it is because they are mistaken, or not intelligent, or immoral. Those who display culturally deviant behavior are, somehow, less human than those who are "normal."

At a slightly higher stage, the individual recognizes cultural differences but applies a negative evaluation to deviations from native culture--the greater the deviation, the more negative the evaluation. Typically, this person holds an evolutionary view of cultural development, with his or her own culture at the top of the evolutionary scale. This attitude is coupled with a tendency towards social and cultural proselytizing of what are regarded as "underdeveloped" cultures.

At the highest stage in the ethnocentric part of the model, the individual recognizes and accepts superficial cultural differences such as eating customs, greeting customs, etc., while holding that all human beings are essentially the same. Here there is an emphasis on the similarity of people and the



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commonality of basic values. This person also has the tendency to define the basis of commonality in ethnocentric terms; that is, everyone is essentially *like us.*

Should one pass over the hurdle and enter the realm of ethnorelative states, the first stage is characterized by the recognition and appreciation of cultural differences in behavior and values. A person at this stage of cultural sensitivity accepts cultural differences as viable alternative solutions to the organization of human existence.

A step above acceptance of difference is adaptation to difference. At this stage the person develops communication skills (verbal and nonverbal) that enable him or her to engage in really effective intercultural communication. This person is skilled in the use of empathy, or frame of reference shifting, to understand and be understood across cultural boundaries. This stage is the hoped for final objective of cross-cultural training.

The final stage in the model characterizes those rare persons who have fully internalized bicultural or multicultural frames of reference. They are bicultural or multicultural in the same sense that one might be a native speaker in more than one language. This is a stage that, for the most part, excludes persons who have not been raised since childhood in a bi- or multicultural environment.

Dr. Monica Armour, of Transcultural Consultant Services has adapted an earlier model devised by Bailey Jackson and Evangelina

Holvino (see "Working with Multicultural Organizations") to describe the stages of multicultural organization development. This model describes a series of stages through which an increasingly culturally sophisticated organization evolves along a continuum that ranges from Ethnocentric - Xenophobic (monocultural) at one pole to Synergistic (multicultural) at the other.

STAGES OF MULTICULTURAL ORGANIZATION DEVELOPMENT

MONOCULTURAL
V

Stage 1: Interested only in enhancing the dominance of those in power. Exclusionary and resistant. Ethnocentric and xenophobic.

Stage 2: Non-discrimination in a monocultural context. Reacting to outside pressures and making symbolic changes only. Diversity is still seen as threatening.

Stage 3: Responsive to the need for more cultural openness. Proactive. Making a sincere effort to change.

Stage 4: In the process of redefining its mission and looking toward becoming a multicultural organization. Transformative stage.

Stage 5: The multicultural organization. It is inclusive and values diversity. It views the synergy that results from well-managed diversity as a valuable source of ideas and vitality.

V
MULTICULTURAL

At the first stage we find what Jackson and Holvino call the "Exclusionary Organization" which is interested in maintaining

the "domination of one group over other groups based on race, gender, culture or other social identity characteristics." (Jackson, 28) These exclusionary organizations sometimes even have the elimination of subordinate groups as one of the objectives of their mission (the KKK, for example). In other cases, membership policies or hiring practices exclude certain groups (the Rotary Club's exclusion of women). In still other such organizations, certain missions, policies, norms and procedures are seen as "correct" according to the views of a dominant group. These latter organizations deny any bias, they simply claim to promote what is "right" and "normal." If they enlist limited numbers of representatives of other groups, they do so only as long as these representatives share the "right" perspectives and are willing to adapt fully to the values and behaviors of the dominant group. In this exclusionary stage the organization is resistant to change and rejects difference.

In the second (reactive) stage, the organization recognizes there is a problem and is committed to removing some of the inherent discrimination by providing access to members of minority groups, but it seeks to do this without disturbing the traditional culture of the organization--without creating "too many waves." The organization is careful not to offend its employees' biased attitudes or behaviors. The attempt here is to change the personnel profile, but without changing the organizational culture in any essential way in order to accommodate diversity. This is the stage in which one might

expect to see a good deal of "tokenism." The organization makes symbolic changes only. At this stage the organization is reacting to a perceived need to be more open, but it continues to view change, uncertainty, and ambiguity as uncomfortable and threatening and it continues to be resistant. The changes that do occur are superficial.

At the proactive stage, the organization is clearly committed to eliminating discriminatory practices at all levels and actively supports the growth and development of women and minority people. In addition, all employees are encouraged to think and behave in a non-sexist and non-racist manner. This organization begins to think of diversity as including the disabled, Hispanics, Asian Americans, Native Americans, the elderly, and so on. But although the organization at this stage is committed to increasing access for members of diverse groups and increasing the chances members of those groups will succeed by removing hostile attitudes and behaviors, all the members of this organization are still required to conform to the norms and practices derived from the traditional (White male) world view.

The redefining organization, on the other hand, is an organization in transition, one that is not satisfied with just taking a stand against cultural, racial or gender bias. This organization is determined to examine all its activities for their impact on all its members' ability to participate in and contribute to the growth and success of the organization. The redefining organization begins to question the monocultural

perspective of its mission, structure, and management and the ways that such a perspective might limit the organization's success. It seeks to explore the potential benefits that might accrue from a diverse multicultural workforce. It engages in seeking alternative modes of organizing that guarantee the inclusion, participation, and empowerment of all its members.

At the final stage we find the truly multicultural oragnization, one which recognizes that its own self-interest is served by the inclusion and nurturing of cultural diversity, by the use of that diversity to enrich its creative powers and to produce better quality decisions. It values diversity and sees diversity as an important source of vitality and strength.

I will conclude by stating in the briefest way I can the benefit to an organization of creating a truly multicultural environment. Studies have shown (Ziller and others) that heterogeneous groups perform significantly better on complex tasks requiring creativity, innovation, and problem solving. Such mixed groups, when well-managed and prepared, consistently outperform homogeneous groups in terms of both quality and quantity. (Hayles, 7) It pays to value diversity and to nurture multiculturalism in the workplace.

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